



House of Commons  
CANADA

# **Standing Committee on Aboriginal Affairs and Northern Development**

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AANO • NUMBER 005 • 1st SESSION • 39th PARLIAMENT

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**EVIDENCE**

**Monday, May 15, 2006**

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**Chair**

**Mr. Colin Mayes**

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## Standing Committee on Aboriginal Affairs and Northern Development

Monday, May 15, 2006

• (1530)

[English]

**The Chair (Mr. Colin Mayes (Okanagan—Shuswap, CPC)):** Order, please. This is the Standing Committee on Aboriginal Affairs and Northern Development.

Committee, you have the orders of the day. The first item is to listen to the witnesses from the Department of Indian Affairs and Northern Development. We're happy to have with us today Mr. Paul LeBlanc, senior assistant deputy minister; Allan MacDonald, director general, the federal interlocutor for Métis and non-status Indians; Audrey Stewart, director general, specific claims branch, claims and Indian government sector; Warren Johnson, assistant deputy minister, lands and trust services; and Caroline Davis, assistant deputy minister, corporate services.

Welcome to the committee. Thank you for being here.

Mr. LeBlanc, do you wish to lead on?

Committee, I think we're going to be somewhat informal. But, Mr. LeBlanc, I'd like to have some direction as to whether you would like to take questions as you present or whether you would want to wait until the end.

**Mr. Paul LeBlanc (Senior Assistant Deputy Minister, Socio-economic Policy and Regional Operations Sector, Department of Indian Affairs and Northern Development):** Thank you, Mr. Chairman, and thank you, committee members, for the opportunity to join you today and present on the Department of Indian and Northern Affairs, and to entertain your questions and dialogue with you.

[Translation]

I am pleased to be here with you today. Thank you for giving me this opportunity.

[English]

Mr. Chairman, we have a very broad and complex subject of discussion today. That's why a number of us came, so we could, as much as possible, dialogue with you on all the matters that are of interest to committee members. We have a brief deck. It is very much a brief overview document. I could go through it quite quickly, if members wish, and then we would have, I expect, ample time for questions and dialogue, if that's suitable, Mr. Chairman.

So, if I may, as I said, here is a brief overview deck to focus on the broad areas of responsibility of the department. It is divided into the major areas of activity of the department. For the most part, the subject matters of the deck and the organizational components they

represent in the department are represented by people here today who can work with me in presenting and addressing your questions.

You will see on page 2 that in broad terms, the overall responsibility of the department, pursuant to our legislation, is the support of first nations and Inuit people in developing healthy, sustainable communities and in achieving their economic and social aspirations. In the broad area of northern affairs, the department is responsible as a lead in fulfilling the federal government's constitutional, political, and legal responsibilities in the territories. The legal framework for the department's activities, of course, is provided by the Indian Act, the Indian Oil and Gas Act, the First Nations Land Management Act, various territorial acts, claims and self-government legislation, and of course, section 35 of the Constitution Act 1982 and section 91.24 of the Constitution Act of 1867.

The minister is also responsible as the interlocutor for Métis and non-status Indians. The office of the interlocutor is an office of advocacy and facilitation. The minister plays this role for this constituency and its organizations *auprès* federal ministers on a wide variety of issues, and the office also serves as a policy and programming centre of expertise for cabinet on Métis and non-status Indian issues.

The first broad area of activity in the department is that of claims and Indian government. Herein is the responsibility, on behalf of the Government of Canada, for the negotiation and implementation of comprehensive and specific claims agreements and self-government agreements, which brings opportunities for reconciliation by resolving disputes that are represented in specific or comprehensive claims. It also brings the legal certainty that flows from these settlements. Certainty provides, of course, for economic growth and a more promising future for aboriginal people and all Canadians.

In many cases, claims settlements—specific or comprehensive claims—are very relevant to resource-sector opportunities and for settling issues and bringing certainty in title, which is essential for the economic development that brings prosperity, not only to aboriginal people but to Canadians in general. Such activity provides aboriginal communities with the tools to improve their governance, increase their self-reliance, and break the cycle of dependency associated with the Indian Act.

Another broad area of activity of the department is that of lands in trust. It is an Indian Act area that has a certain legacy of limitations in terms of the management by the department of Indian lands and assets, under limitations of an Indian Act that is not in keeping in any way with modern opportunities for land management, land and asset development, and the pursuit of economic opportunities that flow from modern management of lands.

- (1535)

The department takes a three-pronged approach with respect to first nations lands, governance, and individual affairs. The first is working in partnership with first nations on legislative tools and intergovernmental arrangements to enable first nations to assume governing authority and responsibility in transition to self-government.

The full self-government outcome, of course, would afford first nations the opportunity to manage their lands, resources, and assets quite independently of the restrictions of the Indian Act. It is a long process to realize full self-government, so the strategy under lands and trusts is to target specific areas of land management through specific innovative legislation that allows first nations to opt in, for example, under the First Nations Land Management Act, allowing them the legal framework and authorities to manage their lands in a way that's more in keeping with modern opportunities, economic and otherwise.

The strategy also fosters professional and institutional development to support first nations government, including a first nations professional public service and institutions. This is the sector of the department that supports band leadership councils in their governance endeavours and their professional management at the band level and at institutional levels that support broader communities—tribal councils and other regional organizations.

The initiative also supports sound federal stewardship under the Indian Act during the transition to first nations governance. The First Nations Commercial and Industrial Development Act is a recently passed piece of federal legislation that allows for federal governance on reserve, but in a way that's much fuller and more enabling of economic opportunities than would otherwise be possible under the Indian Act.

This legislation fills a vacuum whereby today large industrial projects are governed and regulated, by and large, by provincial jurisdiction. For on-reserve applications, there is a void in the legislative and regulatory framework for the development of major industrial projects. This act allows first nations that wish to do so to engage with the department, with the cooperation of the respective province, to have in place a modern legislative framework for major industrial projects that have enormous economic and job creation opportunities.

The slide shows a few examples, and we'll elaborate, of course, in our dialogue.

The next major area of activity is socio-economic policies. This is a fairly comprehensive suite of socio-economic policies and programs that are very much a suite of provincial-like programs that have effect in the first nations world, in first nation and Inuit communities.

These programs are highly devolved. There is not a great level of INAC immediate involvement in the delivery of these programs. The relationship is one of usually multi-year funding agreements with broad criteria and broad requirements that see the transfer of funds under the various program elements to first nations, who in turn implement the programming, be it in education or in various social areas.

We talk in this slide about education, both elementary and secondary, on reserve; programming that addresses approximately 120,000 on-reserve first nation learners in elementary and secondary education. Some 60% of them study on reserve and about 40% pursue their secondary and/or elementary education off reserve. The department provides the funding for that education. There are varying formulae across the country, but in general parents who choose to see reserve-resident children study off reserve have the prerogative to choose education off reserve, and the programming resources are transferred by various means to the provinces to cover those tuition costs.

- (1540)

Post-secondary education is another area of programming for first nation and Inuit people—about \$300 million a year in post-secondary support, about \$1.2 billion in primary and secondary support. The post-secondary education supports some 25,000 students in various post-secondary education endeavours. There is also programming that supports the promotion and preservation of culture and languages.

The next large block of activity is support for community infrastructure: programming that supports public works types of services, such as housing, water and sewer, roads, bridges; and capital projects like school buildings and public administration offices, etc.

Social programs are also part of this suite for on-reserve residents. The programs run the gamut: income assistance; child and family services; assisted living for those in need of assisted living care, either in institutions, homes for the elderly who need care, or for individuals who require care in their own home; and there's a program for prevention of family violence. In most cases, these programs are delivered by first nation service delivery organizations for on-reserve services, and in some cases the services are delivered by the provincial service provider. In either case, whether it's first nation delivered or provincially delivered, the services are overseen and licensed, in terms of standard provision, by the province.

There's a suite of economic development program supports that supports a wide spectrum of economic activity, both in the north and in communities in the south. There is economic development programming that supports in-community community development offices. So there are community development officers for economic development in virtually all the first nations that are supported by this programming. And there is programming that supports, on a project basis, proposals for economic development in communities, very often linked to the natural resources opportunities. But there is a whole gamut of community economic building.

The elements I mentioned earlier about the First Nations Land Management Act and the first nations industrial project act providing the legislative framework for industrial projects are also, we consider, major structural innovations that are essential to significant economic development.

The northern affairs portion of the department occupies the lead in the federal family in managing federal interests in the north. It's a very broad mandate. It includes the development of federal northern policy and coordination of federal activities—coordination with other departments, boards, and agencies. Our northern affairs program supports federal and territorial relations. Our minister plays a significant role with territorial premiers. We support research in the science that's necessary to guide the activities of lands and resource management in the north. And we play the federal lead in the area of circumpolar activities, which really means partnering and cooperating with those other countries that have circumpolar interests to harmonize policy and to share information for international cooperation.

In the Northwest Territories and in Nunavut, the department is responsible for province-like land and resource management. In the Yukon, this responsibility for land and resource management has been devolved to the Yukon government. It was devolved in 2003. Discussions are under way now for the devolution of this responsibility to the Northwest Territory, and we hope to be in similar negotiations with Nunavut before too long.

• (1545)

This branch also assists northerners in developing political and economic institutions that enable them to assume increasing responsibility within the Canadian federation. A few examples are the development of the Nunavut Planning Commission, the Nunavut Water Board, the Nunavut Surface Rights Tribunal, and, in the Northwest Territories, the Mackenzie Valley Resource Management Board.

The office of the federal interlocutor provides direct liaison between the Government of Canada and Métis and non-status Indian organizations. This office established bilateral relations between the Government of Canada and the national Métis and non-status Indian organizations. It has a mandate for tripartite self-government processes with off-reserve aboriginal groups and the provinces. Its minister is an advocate of Métis and non-status Indians and urban aboriginal peoples issues within cabinet. The office takes practical steps to improve the life chances of Métis and non-status Indians, urban aboriginal people, for example, through the implementation of the urban aboriginal strategy, a piece of programming that seeks to cooperate with other jurisdictions to develop a relevant program for Métis and aboriginal people off reserve. The office is also a principal player in implementing the Government of Canada's response to the Supreme Court of Canada's Pawley decision, recognizing Métis rights.

The next few slides give an aperçu of the resources of the department involved in these major areas of activity. In terms of planned spending for 2006-07, there's an approximate \$6.3 billion programmed for the department, laid out as you see it there. The big chunk of that pie, the people, \$3 billion and a bit, covers main areas like education, at approximately \$1.6 billion; social programs, at

approximately \$1.3 billion; and then a variety of lower-cost endeavours, such as estate planning, estate management, and managing individual moneys. In the north, the north food mail program is part of this chunk of programming, as well as resources for hospital and physician services in the north.

The next largest, at about \$2 billion, the blue slice, the economy, includes moneys for the settlement of claims. Once they're negotiated and a settlement has been determined, the settlement amount is in this category, currently estimated at probably \$400 million or \$500 million. There is also a slice here for the economic development programming that I talked about. The annual economic development programming is about \$100 million annually. The housing dollars are in this portion as well, which we refer to as the economy, as are the capital investments made on reserve—building of schools, building of houses, building of band administration buildings, roads, bridges, etc.

The next largest chunk, the government, at \$865 million, covers the cost of the process of claims in self-government negotiations: the cost to the government for these negotiations and the cost to aboriginal parties in the negotiation processes. This includes any support to governance in first nations and to governance-type institutions, the institutions that support the building of governance.

The land, at \$280 million, includes work in the area of reserve creation—any addition to reserves that takes place as a result of claims work, for instance. It also covers land and resource management south of 60 and in the north—it's a big activity in the north—and it also includes work on contaminated sites remediation.

• (1550)

The department employs about 4,200 people. It is rather extensively decentralized; 57% of the workforce is outside the national capital region, working in all of the regions of Canada, which cover the 10 provinces and the territories, and about 30% of the workforce, some 1,300 people, are aboriginal employees. It's a very robust number, but the department wishes to exceed the number by a considerable amount. We continue to work on increasing that representation.

The last slide shows a visual image of the structure of the organization. Of course, the department is headed by a deputy minister and two associates. The next line shows the assistant deputy minister complement, a number of whom are here today. I didn't talk about each of the boxes in the presentation. I didn't mention corporate services, of course, but the department has a robust and complete corporate services component for finance, administration, information management, etc.

I should mention that there is an executive director of Inuit relations. This is a new secretariat in the department. I believe it's just under two years old, and it was created to facilitate dialogue with the Inuit population in the department, to improve the entry of communication, and to facilitate relations between the headquarters component of the department and the Inuit people. It's early in its development. It's a small secretariat of about a dozen or so people now. It may grow a little, but we believe it has proven very instrumental in improving relations and communications with Inuit people.

That's a very broad overview. I expect it raises more questions than it answers, but we didn't feel we could hope to address all the possible questions in the presentation. We wanted to provide an overview and spend the majority of our time addressing your questions and points of interest.

Thank you, Mr. Chairman. Merci.

**The Chair:** Thank you.

Are there any questions from the committee members?

Mr. Lévesque.

[*Translation*]

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Mr. LeBlanc, thank you for your presentation.

You talked about the provision of food, that is, the Food Mail Program. Do you manage both programs, the basic program and the pilot program that was established for three villages? Under that program, the price went down to 30¢ a kilo.

**Mr. Paul LeBlanc:** I believe so. My colleague, Mary Quinn, from the Northern Affairs Program, tells me that this is the case.

Mary, would you like to give more details?

• (1555)

[*English*]

**Ms. Mary Quinn (Director General, Strategic Policy and Devolution Branch, Department of Indian and Northern Affairs):** The department is responsible for the food mail program, and there's a reduced rate through that program for priority perishable foods, other foods, and other essential items to remote communities where there's no road access.

Over the past three years or so, we've been conducting what we refer to as pilot projects in three communities, in Kugaaruk, Kangiqsujauq, and Fort Severn, to test and get some evidence from a further reduced rate and from increased activities to promote nutrition awareness. We are reviewing the results of these pilots, and we hope these results will inform the next steps we take in terms of the program.

[*Translation*]

**Mr. Yvon Lévesque:** Were effectiveness studies from a health perspective carried out as part of the pilot project? Do you have findings about the impact of the program?

**Ms. Mary Quinn:** Yes. They are in the process of analyzing the project results.

[*English*]

As you say, there is an impact on the effect of the reduced rate on purchasing, but also on people's health and the kinds of foods they're buying. The results have been reviewed by a peer review group of nutritionists. I don't have the results with me to say exactly what the impact is in each area, but we will, at an appropriate time, be releasing the reports on those results.

**Mr. Yvon Lévesque:** Merci.

**The Chair:** Madam Neville, go ahead, please.

**Hon. Anita Neville (Winnipeg South Centre, Lib.):** Thank you, Mr. Chairman.

And thank you very much for coming and simplifying a rather complex department.

There are two areas that I want to ask some questions on. I have a whole host of questions, but I'll start with two. You talk about the suite of economic development initiatives under lands and trusts services: the First Nations Land Management Act, the First Nations Fiscal and Statistical Management Act, etc. Could you expand a little bit on where they are? Has the statistics institute been established? And where are we with the implementation of these acts?

**Mr. Paul LeBlanc:** Warren Johnson is the assistant deputy minister responsible for lands and trusts.

**Mr. Warren Johnson (Assistant Deputy Minister, Lands and Trust Services, Department of Indian Affairs and Northern Development):** Mr. Chairman, to respond to that question, the major initiatives in this category are the First Nations Land Management Act, an act that was passed some time ago—in 1999, I think—and that was, a number of years ago, expanded to apply to more than the original 14 first nations who had championed that initiative. There are now a large number of first nations moving through the process of developing their own land management codes, moving up from underneath the Indian Act and moving into a sectoral self-government arrangement on land. So that's fully operational. There are now some 17 first nations operational under that, as well as 28 or 29 in the development stage. That's the First Nations Land Management Act.

The First Nations Fiscal and Statistical Management Act was passed in the last Parliament. It came into force within a day or two of April 1—don't quote me on that—right at the beginning of this fiscal year. The processes are unfolding now in terms of the appointment of the boards and the process that will have to unfold this year in terms of selection of the key people, for example, the chief statistician for the statistical institute, etc.

That act—I will just remind the committee—established four institutions: a financial management board, a tax authority, a borrowing authority, and a statistical institute. There's a fairly complex process of getting these institutions up and running. I think the plan, by and large, is to have the institutions up this fall. That process is unfolding. One of them is operational, in the sense of the borrowing. That's a private corporation, and it is already, I think, involved in activities. And there are a number of first nations that are all putting their requests forward to become part of this initiative when it gets up and running later this year.

The other major activity under this theme is the First Nations Oil and Gas and Moneys Management Act, another first-nations-led initiative that was passed in the last Parliament and came into force April 1 of this year. Work is now ongoing with the three pilot first nations who led that initiative, to help them develop their land management codes and processes so they can take over their responsibilities, specifically with respect to oil and gas and the management of Indian moneys that would otherwise be held by the Canadian federal government in the consolidated revenue fund. While they are developing their own codes, they're working with us in piloting the process that other first nations who might want to take advantage of that initiative would then use subsequent to this year. So in a sense we're piloting the implementation with the first three first nations who championed that. We hope they plan to go to their communities for ratification towards the end of this year in terms of getting their own regimes fully in place. And that would leave us potentially open to other first nations interested in that initiative next fiscal year, about a year from now. Those are the three initiatives, those three self-government pieces.

The last recent initiative here is more of a stewardship piece, but it's in response to and was developed with first nations and a number of first nations champions. That's the First Nations Commercial and Industrial Development Act. It is also now in force. The work is ongoing on an urgent basis with the major regulations under that. The priority is with one of the first nations who in fact championed it—Fort McKay—because they're in the middle as a result of a specific claim settlement regarding a major tar sands development project with Shell in northern Alberta. That requires the kind of complex regulatory regime that this act was put in place to, as my colleague mentioned, allow the federal government to uphold.

So that's a quick run-through of the status of those pieces. I hope that answers your question.

• (1600)

**Hon. Anita Neville:** I have just a quick follow-up on this.

Under the Fiscal and Statistical Management Act, what is the status of the boards that are being established? Have they been established?

**Mr. Warren Johnson:** There are advisory panels in place that were nominated by the first nations who were involved in championing those initiatives over the last several years. The process of advertising for and selecting board members, and then subsequently selecting the senior operating positions—the chief statistician, CEO, etc., depending on the institution—will flow through the normal appointment and selection process between now and hopefully this fall. By then we'd like to have all the boards up and running and becoming operational, selecting their major operating staff, etc.

**Hon. Anita Neville:** Thank you.

**The Chair:** Madam Crowder.

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Thank you for your presentation today.

I've got two questions. I'm going to ask them both because they're in two separate areas.

One is on indigenous children in care. A recent report came out of British Columbia on the B.C. children and youth review by the Honourable Ted Hughes. In his report, he specifically indicated that the federal government funding for reserve-based child welfare services was developed at a time when there was not as much emphasis on prevention as there is today. Calculated largely on the basis of the number of children taken into care, it provides little or no funding for the kinds of family support services.

As well, I understand that the first nations child and family services agencies have long said—and I believe the department has acknowledged—there is a discrepancy in the funding between what many provinces provide and what the federal government provides. So I'd like you to talk about what the federal government is doing about that.

The second question is around specific land claims. You may not be able to provide this information today, but I would be interested in knowing how many claims are presently in the department system, the average number of new claims that have been filed in the last three years, and the number of claims that have been settled in the last three years. So that's some really specific information that you may or may not have.

I am also curious about whether it's an urban legend or actually true that a number of first nations that are in various stages of negotiations have indicated that they need to borrow significant funds in order to settle either treaties or land claims. Many of these land claims drag on for a number of years, which often leads people to not be in the position to actually take advantage of whatever settlement there might be. So I just wonder if you'd comment on whether that is common practice.

• (1605)

**Mr. Paul LeBlanc:** Thank you.

Perhaps I could offer a few comments on the first point.

You're quite correct that the first nations service providers in child care would put additional resources to good use if they were there, and they've voiced an interest in additional resources.

I should say that Budget 2005 brought an increase in resources of some \$25 million annually, directly in response to this need you're pointing out. That's a strong positive factor in the years going forward. That will be in play this year and in the coming five-year period.

The department is in the process of reviewing these programs in terms of their policy framework. Their current authorities have come to a conclusion. There is a transition year where we had the last year—this current year—of authority for the policy sweep. In reviewing these policy authorities, we would certainly have to look at whether it is the right kind of intervention and whether the programming is sufficiently modernized in terms of prevention and the kinds of interventions that are called for. There will be an ongoing review in terms of the policy framework.

**Ms. Jean Crowder:** How long will that take? I ask that because, as you know, aboriginal children are significantly over-represented in care.

**Mr. Paul LeBlanc:** That work will be completed in this fiscal year. In fact, for the updated programs to be in place with the necessary authorities, it will be at the outset of the very next fiscal year.

We may have to get back to you on some of the questions, but we do have some information.

Audrey Stewart, I don't know if you want to take part in this.

**Ms. Audrey Stewart (Director General, Specific Claims Branch, Claims and Indian Government Sector, Department of Indian Affairs and Northern Development):** Thank you, Mr. Chair.

We do have some numbers that I think address certain of your questions. First of all, how many specific claims—and I'll say this information is available on the departmental website and is updated quarterly. We can provide updates, if that would be helpful to you, from time to time. The total number of claims, either under review or under negotiation, was 748 as of the end of December. These numbers will be updated within the next two or three weeks to the end of the fiscal year.

Over the last three years, we have received approximately 60 claims per year. The number that I'm afraid I don't have is how many have been settled in each of the last three years.

Yes, the department does have a program to provide negotiation loan funding to enable first nations to participate fully in the negotiations, as some of the negotiations, particularly for the comprehensive claims, can last for many years. They're very complex negotiations with a great range of subjects to be covered and many difficult arrangements to be worked out. They do, indeed, last many years, so certain participating first nations do find that their loans become fairly large.

**Ms. Jean Crowder:** What's the average length of times...? Sorry.

• (1610)

**The Chair:** I want to guide the committee. I thought the direction that was given to the clerk and the chair was to speak to the department about priorities. We're talking about specifics now. What is the pleasure of the committee? If you want to talk about specifics, that's fine with me. But we wanted to know what the priorities of the ministry were, because that's where we're headed next.

Am I not correct on that, Mr. Clerk?

We'll finish up with this question, but let's try to talk about priorities rather than talking about specifics right now. I think those things can be addressed as we get onto our priorities. Is that the pleasure of the committee?

**Some hon. members:** Agreed.

[Translation]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Chairman, it seems to me that we had agreed to ask the witnesses questions about the road that has not been built between Winneway and Belleterre, but without necessarily going into detail. I feel that Ms. Crowder's questions fit into that context. I think that we should defer until later the question of the department's vision for the upcoming months and years, since I am not certain that they can talk

about that. It is really a political matter that Minister Prentice will come to explain to us. So without going into detail and specific questions, we at least need to understand how this works. We are just beginning to understand. That is the case for me, at least.

May I ask my questions?

[English]

**The Chair:** Thank you, Mr. Lemay.

Ms. Stewart, have you finished speaking to the question? Okay.

We haven't heard from the government side, so, Mr. Lemay, I'd like to....

I stand corrected. I understand now that the minister is the one who will set the priorities. We should keep it broad, though, and not necessarily too specific.

I have the parliamentary secretary, Mr. Bruinooge.

**Mr. Rod Bruinooge (Winnipeg South, CPC):** Sorry, Mr. Chair. I didn't mean to interrupt you.

Perhaps what you were meaning to say was that instead of the specific, you wanted the department to talk about its overview.

This committee tabled a report on aboriginal K-12 education in 1995, and this committee intends to pursue the topic of education. Could you give us an overview of INAC actions in regard to education over the last 10 years, and some of the ideas that came from previous committees on education?

**Mr. Paul LeBlanc:** If I may, I'll start with a more contemporary timeframe, perhaps the last couple of years, and then see how far back we'd like to move.

Officials in the department met with this committee about a year and a half ago, following a report of the Auditor General, who had reviewed the education envelopes in the department and made a number of observations and recommendations. The department appeared, and the committee asked for a departmental plan of action in relation to these recommendations. That plan of action was developed and tabled at this committee, I'm quite certain, along with presenting it to the Standing Committee on Public Accounts.

I had the pleasure of appearing at this committee then, and we went over the broad aspects of the education action plan, which focus on seeing a significant reduction in the education outcomes gap, primarily measured by secondary-level educational accomplishments—comparing aboriginal to non-aboriginal outcomes and, more specifically, first nation to non-first nation outcomes. We recognize there is a gap—it's well known—and the Auditor General recognized the gap.

The plan called for a concerted consultation with first nation leadership to develop a new policy framework for education. That work has been under way for several months, and we expect to see that framework emerge in the course of this summer. We had committed to bring that outcome, as well as all of the key outcomes from the work on that plan, to this committee, so the minister had committed to reporting to the committee on a regular basis.



A few months ago we sent to the committee—I don't think members here would have seen it, given the transition time, but I think it's available from the clerk—an updated document regarding the roles and responsibilities in education. The Auditor General observed that there was a lack of clarity in terms of the first nation roles, the first nation educator roles, the roles at the tribal council and their aggregate service level, and the roles of the department. So work was undertaken to clarify those roles and responsibilities, in cooperation with the first nation leadership. That document was developed and has been tabled before the committee.

In terms of improving the management of education outcome, another major piece is to develop better education outcome measurements—that is, better ways to measure successful education management and learner outcomes—and to fit these indicators into a management system that's useful—firstly, for first nation communities managing the education plan for their purposes and, secondly, for reporting to government from a perspective of accountability and sharing results.

So those are some of the major features in this education action plan. The development of the new plan is a major event for us, and it's progressing well. By and large, it's meeting the key targets, with a bit of slippage for a month or two in a few areas. The next major output will be the education policy framework that will be delivered to this table in a few months.

• (1615)

**The Chair:** Thank you.

I'm going to go back to the rotation now.

Mr. Lemay.

[Translation]

**Mr. Marc Lemay:** I want to understand. I have a lot of questions and I know I do not have much time.

On page 5, second paragraph, it says “support to communities for the construction,” etc. On page 8, the second paragraph is about money, but where will that money be spent? Are we talking about people, government, land or the economy?

**Mr. Paul LeBlanc:** Are you talking mainly about housing?

**Mr. Marc Lemay:** I am talking about the second paragraph of page 5, which deals with water systems, schools, roads, bridges, community facilities and so on.

**Mr. Paul LeBlanc:** That is included in the \$2 billion spent on the economy.

**Mr. Marc Lemay:** And people? How is the \$3 billion spent on people?

**Mr. Paul LeBlanc:** That is what is mainly talked about in the first and third paragraphs on page 5, that is secondary education and social programs.

• (1620)

**Mr. Marc Lemay:** All right. Let us get down to more serious things.

There are a lot of people. This is an extraordinarily complex department for someone from well outside it like me. I want to understand a bit about it.

There is an aboriginal community that exists and that is registered. These are status Indians. They have a band number. Suddenly, there is a conflict within the band and five or six families move to the middle of nowhere, to some other place. How do you do the calculations for those who leave the band and decide to form their own community? How would I count them? Where are they in the organization chart?

[English]

**Mr. Warren Johnson:** If I understood correctly, Mr. Chair, the question relates to how community issues with respect to potential band splits or the formation of new bands are handled and managed. Those initiatives, being of local concern, are managed through our regional offices. If you're looking for the issue here in the context of band creation or band splits, there is no ongoing funding program, so it doesn't really relate to this table.

[Translation]

**Mr. Marc Lemay:** I understand all that, but I have a specific question. There is no money to create a band, and I understand that, but they need a school, a dispensary, a police force, a road. How do you work with those communities that are not recognized? I hope that my question is clear.

**Mr. Paul LeBlanc:** I will simplify things a bit. The members of these communities, like all Canadians, always have the possibility of moving elsewhere. Community members who move and decide to settle in Toronto, Montreal or Calgary do leave behind most of the benefits that we have described in this short document, which are tied to their status or their living on-reserve. These may include a house, housing, etc. They no longer have these benefits if they move to the city or to some other rural area. But people are free to move. They are citizens of Canada and of the province where they live.

The simplest answer is that they are Canadian citizens like everyone else and they have decided to give up the benefits associated with the reserve and make their way in a bigger world as citizens of their province.

Now, if they settle in sufficient numbers at some point in a rural region of Quebec, they will ask the Quebec government to build them roads, a school, a hospital, etc. At that point, all those socio-economic decisions will have to be made at the political level.

**Mr. Marc Lemay:** But where is the department in all this? You have understood the problem quite correctly. However, suppose that this community has 50 or 60 people and no running water or housing. These people come to see us and we go to see you. There is something that is not working. What do we do?

• (1625)

**Mr. Paul LeBlanc:** Two things can happen. My answer was more based on the future. Someone can decide to do this or that. I think, sir, that you are going by what happened in the past. You are thinking about communities that move to remote areas. In that historical perspective, two or three things would happen. In some cases, we recognize that there has actually been a band split and the creation of two communities, and the new one ended up obtaining reserve status. That is one possibility.

In other cases, things went differently. The department might recognize the band and provide services. The authorities have to decide how much of an anomaly there is. The department and the province do need forecasts to ensure that people are not living in unacceptable conditions.

**Mr. Marc Lemay:** Do I still have some time?

[*English*]

That's a bad question. I'm going to remember, Mr. Chair.

**The Chair:** That's a good answer.

Mr. Russell.

**Mr. Todd Russell (Labrador, Lib.):** Thank you, Mr. Chair.

Thank you for the presentations that have been made here today.

Comprehensive claims are a very interesting subject and one that I've had some dealings with over the last 10 years. In Labrador we have a number of comprehensive claims overlapping. There was a settlement, of course, of the Inuit claim and the creation of Nunatsiavut on December 1, 2005.

The Innu Nation has an outstanding claim, and I'd like to get a sense of how far along that particular claim is from the department's perspective. I understand they may be close to an agreement in principle, exclusive of a self-government piece.

Then, of course, there is the issue of the Labrador Métis Nation claim, a claim that was registered with the government in 1991 and still hasn't found any resolution. In terms of that, what is the government's policy, Métis policy, regarding comprehensive claims? Is there one, or is there one being developed, or is it the same as the criteria for an Indian or Inuit comprehensive claim?

I know I have a couple of questions; some of them are quite short.

There is a statement in the brief about practical steps to improve the life chances of Métis and non-status Indians and urban aboriginal people, and about the minister being an advocate within cabinet of Métis and non-status Indians and urban aboriginal peoples. When I read that statement, I just wonder how effective that is—and I'll probably ask the minister himself.

Is there a Métis-specific program with regard to housing? Is there a Métis-specific program with regard to education? Is there a Métis-specific program when it comes to health, for instance, or post-secondary student support when it comes to education, or the non-insured health benefit when it comes to health?

I would like some specific answers. I probably know some of them, but....

Where is the Métis piece going? Where do you see this going in terms of a policy direction? It's an outstanding issue.

**Mr. Paul LeBlanc:** Thank you.

You have several questions, a lot of them on the Métis question, but your earlier ones were not. If you agree, perhaps Ms. Stewart might address your earlier points about some of the claims work, and then Allan....

**Ms. Audrey Stewart:** Most of those actually relate to Allan's area. I don't have a forecast on progress for the Innu claim for you, though.

• (1630)

**Mr. Todd Russell:** Can you get it?

**Ms. Audrey Stewart:** If the chair wishes, we could provide an update.

**Mr. Todd Russell:** That can be done at a later date.

**The Chair:** Yes, we can accept that later.

Mr. MacDonald.

**Mr. Allan MacDonald (Director General, Federal Interlocutor for Métis and Non Status Indians, Department of Indian Affairs and Northern Development):** I can answer some of those questions, Mr. Russell. Thank you for the questions, and thank you, Chair, for the opportunity.

In terms of the LMN claim, that really is a claims answer that someone else in the department is going to have to give you. That's been before the department, I think, for 15 years or so. We'll have to get that answer back to you on where the Labrador Métis claim is within the system and what's next, what's happening on that.

In terms of where Métis rights policy generally is going, as you're well aware, the Supreme Court affirmed what many of us knew back in 2003, which is that Métis did have aboriginal rights. The federal interlocutor's office got authority back in 2003 to begin to explore Métis rights policy options. The first thing we had to do over there—the really urgent thing the Supreme Court said we had to do—was to begin a process of identifying Métis harvesters, identifying who had those rights. So for the past two or three years we've been working with Métis organizations, national organizations, and regional affiliates to do just that, and to put in place harvesting arrangements on the ground, both at the national level and working very closely with their provinces.

We have to come back and give longer-term recommendations on Métis rights based on what our research has found. We're prepared to do that, I think, in the course of the next few months.

In terms of the practical steps and trying to answer some of your questions around socio-economic policy, there is very limited Métis-specific social programming. So there is no Métis-specific post-secondary education; there is no Métis-specific health care or other programs that you happened to mention.

That said, though, the federal government invests about \$1 billion for an office of aboriginal programming, which Métis people and Métis organizations can access. So while there isn't Métis specific programming in those areas, there are opportunities where Métis people and their organizations can draw down some of those federal programs.

**Mr. Todd Russell:** Can I have a follow-up, just very quickly?

**The Chair:** "Very quickly" would be the key words.

**Mr. Marc Lemay:** Yes, you stole my time.

**Mr. Todd Russell:** Thank you, Lemay. You're great. We had a great bargaining session.

Does the Government of Canada recognize Métis aboriginal title to lands?

**Mr. Allan MacDonald:** That's a legal question. I don't believe the government has made that determination.

**The Chair:** That's a fair answer, and I think it's all you're going to get, so I'm going to move to Chris Warkentin, please.

**Mr. Chris Warkentin (Peace River, CPC):** Thank you, Mr. Chair.

I appreciate your coming today. Thank you to every one of you on the panel.

I want to go to slide number 8, with respect to the planned departmental spending. The number that's been allotted for government is \$865 million. Could you give me some clarification as to how many dollars are going to actual self-government costs and how many dollars in that particular allocation are going to the process of negotiations? I assume the lion's share of the process of negotiations' spending would go to lawyers and those types of services, but could you give me, if possible, some idea of where the money is being spent there? That is one question I have.

The other question I have concerns the development of market-based housing. I see it mentioned there. I'm wondering whether it's something for which the department has a plan with respect to developing market-based housing on reservations, or exactly what type of plan is in place.

I'm assuming market-based housing would be the development of housing projects that would allow first nations people to have title to their homes and be able to generate some type of equity, so that they'd be able to have something down the road. Am I right in assuming that?

Please just answer those questions.

**Mr. Paul LeBlanc:** Thank you.

Perhaps I'll start with your last point, and my colleagues may want to come in on that point. Then we'll finish with your first point about the breakout.

Market-based housing has a couple of dimensions. In the simplest dimension, it's really about reducing the public contribution and increasing private sector moneys, marketplace moneys, into the housing plan. You can go a long way in doing that without affecting the issue of who ultimately owns the house, the band council or the individual. So market-based housing can be pushed without actually

pushing private ownership, if you see what I mean. It's just a simplistic dicing up of this issue.

Market-based housing pushed to its more natural conclusion means, in our view, working on both those axes. There would be a much bigger place for marketplace moneys, matched with private ownership, which is really the full expression of that kind of model.

There are some excellent examples across the nation of first nations who have utilized land resource flexibilities that my colleague described, in terms of some of these legal and innovative approaches to better managing land combined with bold and imaginative financing models that go from an 80% or 90% Government of Canada-paid house to one that uses relatively few public dollars and heavily leverages the private sector, converging to the ultimate end: individual members owning their homes. The band then, instead of having this kind of dormant asset of houses that have to be maintained, that are a drain on resources, etc., now has membership that is owning houses; the individual owner is taking care of the upkeep.

The house has the prospect of lasting 100 years, rather than 15 or 20 years, and it's one of the key opportunities for turning around a major challenge in first nation housing.

That's the simple objective, and there are many examples of it working extremely well in places across the country.

• (1635)

**Mr. Chris Warkentin:** Yes, I've heard of several examples, and that's why I posed the question. I know from stories from within my own community that probably the number one requested item is that individuals living on first nations land, within first nations communities, be able to have some mechanism to establish equity and long-term ownership.

I guess we all maybe take for granted the amount of flexibility we're offered once we own a home, and certainly that's the message I've been getting. I'm happy to hear there's a plan in place to move that forward.

**Mr. Paul LeBlanc:** Home ownership, essential in its own right, is also the most common step-off point to individual entrepreneurship.

**Mr. Chris Warkentin:** Absolutely.

**Mr. Paul LeBlanc:** The equity that people have in homes is often really the determinant for the kind of minimal capital that's necessary to realize their entrepreneurial ambitions.

**The Chair:** Does that complete the answer?

**Mr. Chris Warkentin:** I think there might be some numbers in the second part.

**Ms. Caroline Davis (Assistant Deputy Minister, Corporate Services, Department of Indian Affairs and Northern Development):** With regard to the second part of your question, there are currently 17 self-governing first nations. There are also grants and contributions to sectoral self-government. For instance, the West-bank First Nation has a self-government agreement.

In the estimates, I would note just briefly, about \$190 million is going to self-governing first nations. That would be a mixture of self-government costs plus the implementation of comprehensive claims costs. It doesn't include the cash payments for the settlements of claims.

**Mr. Chris Warkentin:** So the remainder of that particular chunk would go toward some of the negotiation processes that are outstanding.

**Ms. Caroline Davis:** That's right. We usually take the guess that we spend around \$130 million a year on negotiations.

**Mr. Chris Warkentin:** Okay.

Thank you very much.

**The Chair:** We're going to move on to Mr. Merasty.

**Mr. Gary Merasty (Desnethé—Mississippi—Churchill River, Lib.):** Thanks, Mr. Chairman.

We've had quite a few good questions here. I think you did a very good presentation.

My first question is on lands and trust services, or LTS. Has there been, or will there be, a review of the current policy framework and legislation that's currently there with respect to the Supreme Court decisions of Haida, Taku River, and Mikisew Cree with respect to traditional lands? What responsibility do you think the Department of Indian Affairs has in this area?

The second question relates to Jean Crowder's question. There were 17 national recommendations for child and family, with huge problems converging upon the first nations. The provinces will make policy changes to the child welfare act, for lack of a better term, but the funding doesn't allow the bands to respond, to catch up. There have been situations in Saskatchewan where there is very little on kinship, for example, and prevention.

Stretching the socio-economic issue to funding of elementary and secondary, would the department look at funding schools to actually provide space for special education? You provide the funding for the program and for the teacher, but no space. There's also the issue of the expansion of high school course offerings so that we graduate more than just generalists from some of the high school programs.

Regarding capital, I know that in Saskatchewan and in other areas there's a provincial policy to raise social assistance rates, and usually the department will mirror what the province has done. That money is then taken from somewhere. Does this put in jeopardy capital and the potential for keeping it to build new schools, upgrade them, renovate them, expand them? Then there's the status of the ISSP and PSSP review, which is absolutely critical at this point.

As my last question, off-reserve band members vote for their on-reserve chief, but it creates a real split in the ability of the first nation to provide services, because with voting comes the expectation of services. There's conflict between the interlocutor role, urban funding from the department, and the role of the first nation.

Sorry; that's a whole bunch.

•(1640)

**Mr. Paul LeBlanc:** Ms. Stewart is going to start us off and then we'll roll from there.

**Ms. Audrey Stewart:** With respect to the response to the Supreme Court decisions in the Haida and Taku cases, there is policy work under way to help the federal government develop appropriate approaches. For those who may not know, these are a couple of cases that have identified interests of aboriginal people, either based on aboriginal rights or treaty rights that exist off reserve lands. I'd also like to point out that this is an area that requires action from provincial governments as well as the federal government. Some of the provinces are very actively moving towards policy responses to deal with the consultation requirements that may come out of those two cases.

Mr. Chairman, if I may, I hadn't realized there was a question about the status of review of the Labrador Métis claim. I do actually know the answer to that, so perhaps I can provide it here and now.

**The Chair:** She's not even here; she's missed out.

Does anybody else want to hear that? Do you want to hear that? No. Okay.

**Ms. Audrey Stewart:** Okay.

**The Chair:** Because we have a lot of questions, I'd ask future questioners to keep it to one as a courtesy to your other members, so we can all have an opportunity.

Who's going to handle the next question? Mr. LeBlanc.

**Mr. Paul LeBlanc:** Yes.

You had a question on family services, kinship, etc. These are important points that are raised, and I would revert to what I said earlier. It is a period of sharp focus for the department on these policy suites and on these authorities, in view of renewing them. And there are the additional resources that were made available in Budget 2005. So there is a substantive increase of \$25 million annually that will go some distance to improving reach in these areas.

You mentioned another factor of whether competing priorities end up squeezing something, and you used the example of capital. It's a main feature of the department's relationship with first nations who are exercising an important amount of self-determination in self-government now; even if they're not a fully self-governing first nation in their dealings with the federal crown, through the department, they're recipients of funding with very broad programming parameters. And they leave—and they must leave—a great deal of discretion about how priorities are applied. So it's not infrequent that we'll see an immediate need, like the needs of children for care or the need for elder care, sometimes squeeze a project like a new school construction that will go a year out as opposed to a year earlier, or that may be a little smaller than it otherwise would have been had these other pressures not been there. So it's a feature of that world for sure.

•(1645)

**Mr. Warren Johnson:** Perhaps I could give a quick response on the question of the off-reserve band members voting. At least with respect to bands under the Indian Act, pursuant to the Corbiere decision, the Indian Act had to be adjusted to facilitate off-reserve members being able to vote. There were a number of concerns raised subsequent to that decision, about the potential impact and the demand for services. We actually haven't seen a quantum change in that, because there have been concerns about a variety of issues on and off reserve that way.

Our understanding is that the Supreme Court was talking to a model of first nations governance in that decision that distinguished between two kinds of responsibilities of a band government: on the one hand, as the government providing programs and services locally to its residents, largely band members—and our program authorities aren't exclusively status Indian-based, a lot of them have to do with residency on reserve; and on the other hand, the responsibility of a band with respect to the assets of the nation. So there are certain issues with respect to, for example, decisions to settle a claim or to dispose of a major asset, to surrender land for a certain purpose that affects the nation as a whole as opposed to those who just happen to be residing on the reserve at that point in time. We understand it was for that reason that the Supreme Court held that you couldn't exclude off-reserve members from the vote.

Since that decision, under custom, first nations do whatever they do under custom. Under the Indian Act election—which is roughly, I guess, 50% of the first nations—you now have the off-reserve members voting in that process, but recognizing those two kinds of roles of the band government and duties to two kinds of people in that respect.

**The Chair:** Ms. Crowder.

**Ms. Jean Crowder:** I have two questions, but they are very brief.

Just as a comment about the children in care, although \$25 million is a welcome step, my understanding is that the agencies are talking about a \$109 million gap. That's just a comment.

I didn't quite finish with Ms. Stewart.

You talked about 748 claims. I wonder if you could give us an idea of the backlog and the average length of time.

Before you do that, I just want to be clear that I understood what you were saying in the presentation when you were talking about land and trust services. You said the Indian Act was not in keeping with modern management of lands. I'm not really clear what you meant by that. Could clarify that? I don't know what that means in terms of policy.

**Mr. Paul LeBlanc:** One example was the gap in legislation covering reserve lands, which leaves no room for a legislative or regulatory framework for a major industrial project. A major industrial project off reserve would come under provincial legislation. It would have some health and safety regulatory frameworks and it would have environmental protection regulatory frameworks that are all worked out, that provide to the investors, that provide for the company, the investors, and the citizens, a degree of certainty that all of this is anticipated. The authorities are clear: who you apply

to, what kinds of permits, what it means to be in violation of regulations, etc.

There's a void for that in the on-reserve world, and there's a void in the legal basis to proceed to fill that gap. So the first nations industrial—

•(1650)

**Mr. Warren Johnson:** The FNCIDA, the First Nations Commercial and Industrial Development Act.

**Mr. Paul LeBlanc:** The FNCIDA legislation fills that gap. It's a gap that's part of the *lacune* of legacy of the Indian Act, which really developed at a time when these factors were not even dreamed about. That's one example. There are quite a number of examples.

**Ms. Jean Crowder:** Sorry, I didn't quite get an answer on the backlog.

**The Chair:** Audrey Stewart, please.

**Ms. Audrey Stewart:** “Backlog” is an interesting word, so I'm going to take a minute or two to talk about backlog in a program like specific claims. On the specific claims program or policy, there are two big questions. One, is this a subject that the federal government wishes to negotiate? That's because it's a program of redress for first nations for whom the federal government has either mismanaged the assets it holds on their behalf or hasn't fulfilled certain obligations under treaties. Presuming the answer to the first question is yes, the second question is, what is a reasonable settlement?

For both of those questions, there is a need for significant research. Because these are often claims from long ago, it's historical research, it's very complicated, and it gets tied up with some areas in which the legal principles are not well understood. That means the legal analysis, once the research is done, is also complex and takes time.

It's also a process that is back and forth between governments and first nations. It's initiated by first nations, who do some research and send it to government. We often find it is helpful to do additional research, which then goes back to the first nation for their consideration before it ever gets into a package that goes to the Department of Justice. While that's happening, those claims are all being worked on. Although it's necessarily time-consuming and detail driven, those are claims in progress.

Similarly, regarding negotiations, you have to get negotiating teams together. They have to have mandates. You have to figure out how to negotiate, because each negotiation is an individual negotiation. You have to do studies to evaluate the losses and damages. And then you have to negotiate. Once you get to an agreement, you have to draw up a formal agreement. The ratification of that generally requires a vote from the first nation, which can take six months. It sometimes requires ratification by the province, should they be involved, and also by the federal government.

It takes a lot of time, but as long as a claim is being worked on, either by the federal government, by the first nation, or together, that's not quite a backlog.

I'd like to distinguish those from a number of claims that are not being worked on because the federal government lacks capacity. I think that's the core of what people really mean when they talk about a backlog, but I would point out that it doesn't apply to every claim in the inventory.

With that long preamble, I'll say we have about 250 claims that are not being worked on because the federal government lacks capacity at this point. We have just finished a re-engineering process, which has helped us to identify where the gaps are, where additional resources may be helpful, and where we can be more efficient—but that's the present circumstance.

To move to the second question, looking at both the nature of the process, which is information driven and requires negotiation and consensus to be developed, and the fact that there is a lack of federal capacity in some areas, it can take perhaps between seven and ten years to resolve claims.

• (1655)

**The Chair:** Thank you.

Mr. Albrecht.

**Mr. Harold Albrecht (Kitchener—Conestoga, CPC):** Thank you, Mr. Chairman.

Thank you again for the presentation.

One of the comments that has come up relates to the education and plan of action. You identified the gap that exists, and I think we're all aware of that.

On page 5 you mention the support for elementary and secondary education, and I think I heard you say it's about \$1.2 billion per year. Do we have any way of comparing that to what the average cost would be for a non-aboriginal person? I know that across Canada the cost per pupil will vary from province to province and region to region, but do we have any handle on what the comparison might be?

**Mr. Paul LeBlanc:** We have some data in this regard. What we're able to compare, when we take a province like Saskatchewan, New Brunswick, or B.C. and we look at their figures and we look at our investments in a first nations indication...we get varying outcomes. You'll find that the numbers per student are by and large fairly close. In some jurisdictions you'll find that the provincial jurisdiction is investing a little more, in some they're just about bang on, and in some the federal jurisdiction seems to be investing a little more.

However, you have to look beyond the surface numbers and ask about the most salient attributes of the two worlds that we're comparing. When we look at the aboriginal first nation education and where we get our numbers from, there is a very high incidence of small schools, a very high incidence of rural locations, and not only rural but rural remote locations—there is a very high incidence of these factors. These factors impact on attraction and retention of teachers. They drive you to diseconomies of scale, obviously, and so on and so forth.

In the few areas that we've been able to make a comparison with provincial world rural remote cost, and there's very little available.... We had figures last year from Saskatchewan, as a matter of fact. Then you get a very different comparison. The comparison is that our costs are much more strenuous, they're more demanding, so we tend to show that we're struggling to keep pace with a similar kind of challenge in the provincial world.

We see this express itself as well when the 40% of on-reserve students wander down the road to a provincial school and the band and the department pays the tuition bill. We see these tuition bills rise. These tuition bills are rising at a rate in many jurisdictions higher than our tuition investments on reserve. It's another indication of the....

**The Chair:** Madam Neville.

**Hon. Anita Neville:** Thank you for giving me another opportunity. I tried to do it at the beginning.

I wonder if you could speak to the role of the federal interlocutor for Métis and non-status Indians and whether the role or mandate for the minister or the department has changed. I've had the opportunity to look at the estimates and I see a very substantial increase in the estimates for the office of the federal interlocutor, both in terms of their operating expenditures and contributions. So I'm just curious to know what's shifting, what's happening.

As a tag-on to that, does the urban aboriginal strategy still come out of the Privy Council Office, or has that been shifted, and what dollars are allocated to that?

• (1700)

**Mr. Allan MacDonald:** Thank you. I'll take that question, Ms. Neville.

Just to answer the last one first, the office of the federal interlocutor moved from the Privy Council Office over to the Department of Indian Affairs in July 2004. So we took our mandate and our policies with us at that time, and that included, of course, the urban aboriginal strategy. So the resources we had at Privy Council Office also moved over to the Department of Indian Affairs at the same time, just about two years ago.

In terms of whether things have changed in terms of our mandate, they haven't changed; we still have the same mandate we had when we left Privy Council Office to go over to the Department of Indian Affairs. There has been an increase in our budget over the past three or four years, I think in response to acquiring the authorities to manage and implement the urban aboriginal strategy and acquiring authorities to manage the government's response to the Pawley decision from 2003. So I think that's why you've seen an increase in the estimates over the past couple of years.

**Hon. Anita Neville:** If I could follow up on that, Mr. Chairman, I see an increase for this upcoming year in terms of contributions, which is double, and for operating, which is not quite double, and I don't know why. I'm just wondering again whether it's mandate, priorities, or what's happening there.

**Mr. Allan MacDonald:** Again, I would need to have a look at the estimates year over year, but it seems to me that the budget we've carried over from Privy Council is pretty much the one we've had, adjusted accordingly as we've acquired new authorities in the past couple of years, but nothing in the past year, I don't think.

**Hon. Anita Neville:** Okay. Thank you.

**The Chair:** Mr. Lévesque or Mr. Lemay, do you have any questions? You don't have to have a question.

[Translation]

**Mr. Marc Lemay:** No, we were discussing things. We have 64 questions, and we could keep you here all week.

I want to understand. The current government has just earmarked \$400 million in its budget for reserves. I want to come back to the communities mentioned on page 5, since the second paragraph on that page is still not very clear to me. Then I add page 8, which shows the total departmental spending for 2006-2007 to be \$6.271 billion. What proportion of that goes to administration?

**Mr. Paul LeBlanc:** Thank you, Mr. Chairman.

I will begin with your last point. Of the \$6.271 billion, approximately \$320 million goes to administrative costs to manage various slices of this pie.

**Mr. Marc Lemay:** That leaves nearly \$6 billion.

**Mr. Paul LeBlanc:** That leaves nearly \$5.9 billion.

**Mr. Marc Lemay:** Let's say there is \$6 billion left.

How do you ensure that the \$6 billion... How do things work? I would like a concrete example. Take a community that wants to build a school because its population is growing by 3.5 or 4 per cent a year. It predicts that there will be 75 children between the ages of 7 and 12 by 2010. How does the community negotiate with you and plan to expand the school it already has or build one if it needs to?

**Mr. Paul LeBlanc:** Our regional officials are working hand in hand with these communities every day of the week. They want to develop a strategic plan for each community. The department, for its part, will develop a strategic plan for the region. This happens year after year, over several years. A community is funded through an envelope which generally includes two types of funding: first, funding for everyday costs such as schools, heating schools, salaries, water treatment plant operations, etc.; second, there's also funding for major projects such as building a new school or a new water treatment plant. This planning and sharing of information enables us to know what a community's needs will be four or five years down the road.

Our officials do the planning. They base their work on population, availability of resources, and so on, and a long-term capital plan is put into place which allows officials to anticipate the need in terms of new schools. First, needs are assessed, a population analysis is done and the current profitability of buildings is assessed, and then, an investment calendar for on-reserve schools is determined, be it in

Quebec, New Brunswick or in British Columbia. This is an ongoing process. Once in a while, priorities overlap, because it is possible that the building of a school takes a backseat to meeting the needs of children or to pay for daily expenses in the area of education.

• (1705)

**Mr. Marc Lemay:** What is the relationship like between your department and the health department as far as healthcare needs of communities are concerned? Is there an envelope for that? If so, I haven't seen it. For instance, do you make requests of the Department of Health by indicating that the suicide, diabetes or tuberculosis rates in native communities is three times higher than in the general population? Are there any agreements in place? Are they negotiated at a political level? How does all this work?

**Mr. Paul LeBlanc:** The answer is no. We do work with the Department of Health, but that department has its own direct relationship with first nations and invest its own money with first nation communities. We do share information, and there is cooperation between the two departments, but we do not have access to health department funds.

**Mr. Marc Lemay:** So the Department of Health manages long or short-term healthcare facilities and informs you of what is happening.

**Mr. Paul LeBlanc:** That's right.

[English]

**The Chair:** Okay, you'll have to keep the other 62.

We have a few other issues to deal with at this meeting, Committee, so I'm going to Mr. Albrecht and then we're going to go to Mr. Merasty.

Then we're going to thank the department for their time. We have more questions in the future, and hopefully some time in the future we'll be able to bring those forward.

Mr. Albrecht.

**Mr. Harold Albrecht:** I have one quick question. On page 9 you indicate the different sections of the estimates, and the one is titled "Cooperative relationships". I'm wondering, is there any level of cooperation, financially, with NGOs that might be working in some of these areas, church groups, etc., to provide any services at all? Is that a possibility?

**Mr. Paul LeBlanc:** There are third-party organizations that play a role and that are involved. I hesitate, I don't want to mislead in terms of the strict answer in regard to funding in this context. If you may, I'd like to perhaps review our files and get an answer to you, unless any of my colleagues have a....

• (1710)

**Mr. Warren Johnson:** If I could, Mr. Chairman, I think we'd need to do a more complete analysis. There are examples, but how frequent they would be—

**Mr. Harold Albrecht:** That's fine. I don't need an answer today. I wasn't trying for that. As I saw that heading, I wondered if there were some examples where we may use either private or charitable groups that would work alongside us.

**Mr. Warren Johnson:** CESO is one example; it's part of our professional institutional development. CESO maintains a service that first nations can access in terms of working on internal governance and capacity issues.

**The Chair:** Mr. Merasty, one question.

**Mr. Gary Merasty:** Are there plans to address early learning and child care on reserve, and where is the ECEP head start review? There are statements made that they're a duplication and they are not.

**Mr. Paul LeBlanc:** Cabinet mandated INAC a year or so ago, perhaps a little more, to work with, I believe, five departments and agencies to examine this issue of overlap and duplication, to find ways to eliminate it if there is overlap and duplication. And even if there is not overlap and duplication, strictly speaking, would there be a way to harmonize these five authorities and these five delivery agents to come together to simplify life for the first nations who receive these contributions? The simple notion is, if you harmonize these authorities and you put it in one envelope, you get more discretion at the user's end, you get an ability to have more discretion with the money, and, theoretically, to make the same amount go further if you can't achieve bigger amounts.

So that work is ongoing; the review is ongoing. INAC is still mandated to lead among the federal departments the review and development of options in order to bring these together in a way that doesn't compromise the legitimacy of any component. It's not to relegate one to a more junior position than another, not to change those relative priorities, but to be able to have more streamlined delivery and so have economies of scale, put more money in the actual priority, and simplify the life for the ultimate users of those multiple programs. That work is still ongoing.

**The Chair:** I want to thank the witnesses for being here today. I really do appreciate, being new in this committee, hearing how the department functions and how you're addressing the needs of first nations. Thank you very much.

I'd ask the committee members if they would stay and we'd just go through the subcommittee report. And we have one motion.

The subcommittee met this morning and reviewed the information that was compiled by Mary Hurley with regard to the priorities that were set by the committee members. After reviewing those priorities, the obvious number one priority was first nations education. The second was aboriginal housing. The third was health. The fourth was aboriginal women and children, then violence and poverty, and then aboriginal children and care.

The recommendation from the subcommittee was that we would deal with a study on education of aboriginal people and we would hear from national aboriginal organizations on this matter. It was decided that the first meeting would be a briefing meeting with the department. So that's the recommendation. Are there any comments on that?

Before we confirm that as a resolution, we should wait for the minister to speak to us about that priority. I think he has indicated that it was his priority.

Mr. Bruinooge, is that correct?

So that's where we'll go. Are there any questions on that?

Then we'll move to a notice of motion from Madam Neville and it's to do with the "Walking Arm in Arm". This was tabled in the 38th Parliament, and there is a response from the minister on the tabling. Is that correct? Speaking to the motion now, Madam Neville, do you want to...?

• (1715)

**Hon. Anita Neville:** Just very briefly, Mr. Chair.

I don't think I have to speak to the importance of this issue. I think everybody around the table knows this issue. The aboriginal affairs committee last year did an extensive study of the whole matter of matrimonial real property. I think they heard, if I counted correctly, from 37 witnesses. It was an extensive report and cited many reports. Also, the Senate did a report on it, and there have been many other private studies on it. So I'm recommending that this report be resubmitted to the government, tabled in the House for a response from the government, and see where we move forward on it.

**The Chair:** Mr. Bruinooge.

**Mr. Rod Bruinooge:** If I could just speak to Madam Neville's notice of motion, in light of the fact that the government did respond, I think the process has yielded its result. The committee made a study and the government issued a response. I think that for us as a committee to put this forward again is a duplication of the government processes that we've seen occur over the last year. So I just believe that perhaps this isn't the right motion at this time.

**The Chair:** Madam Crowder.

**Ms. Jean Crowder:** Just in case people haven't noticed, there was a change in government. I think it would be valuable to have a response from the current government, because we don't know if their response would be the same. Since so much work was done on this, I think it would be valuable to hear, because it has such a huge impact.

**The Chair:** The only thing I would caution, from what Mr. Bruinooge has said, is.... How far do you take this: that every study or recommendation to a minister by a former government has to be resubmitted to a new government? That doesn't happen.

I think Mr. Bruinooge's—

**Mr. Rod Bruinooge:** Just to that, Mr. Chair, I think it would be a good thing to let the minister have an opportunity to present his positions. The minister is coming before the committee. The committee members will have the opportunity to ask questions relating to his positions initially. In putting this forward at this time, I and I think others on the government side believe we may be perhaps pre-empting the position of the minister. I would ask that we take some time with this and hear what he has to say.



**The Chair:** It has been tabled already to the government, and I think it's important that those questions be asked of the minister—where it's at and what the response of this new government is to that report—but the report doesn't have to be tabled again.

Mr. Lévesque.

• (1720)

[Translation]

**Mr. Yvon Lévesque:** A motion was tabled this evening with regard to this file. I don't see why the committee cannot adopt it. As far as I understand, the minister will appear before the committee soon. If we adopt this motion before the minister appears, and if we feel that the minister answers the question contained in our motion when he is before the committee, we will not have to present it to the government. But the motion will already have been adopted by the committee.

[English]

**Mr. Rod Bruinooge:** Monsieur Lévesque, just in response to your position, based on your logic, you could also say you could have the motion be voted upon after the minister comes to speak before us.

**The Chair:** Ms. Crowder.

**Ms. Jean Crowder:** There have been a number of other reports that have come through over the years that have never had any action. The fact that a report was done and the previous government responded doesn't actually mean anything ever happens.

If you wanted to, you could change this motion to not require the government response but just have it as a concurrence motion on the floor of the House; then, if you weren't satisfied with the minister's response, you could redo a motion requesting.... But you could change this motion so the report would be tabled on the floor of the House without requirement from the government to respond.

**The Chair:** It is an important issue, and I think it is about the process. First of all, this committee is at the pleasure of the House, not of the government that is in power. When it was presented to the House, it was presented to the whole House—all parties, not necessarily to the government. I think you're correct in what you're saying, that it's been received by the House. At the previous time, of course, it was a different government than today, but ultimately it is a record in the House.

Now there's been a response by the former minister. Maybe what we need is to have that response by the new minister and see what his position is on it, rather than retabling this document in the House, because I understand that's the essence of the motion. Is that not correct?

**Hon. Anita Neville:** It is, Mr. Chairman. I've got it right this time.

I guess I'm a little taken aback by the reluctance of the government to have this tabled in the House again. I know there are precedents in other committees for the retabling of substantial reports done under the previous government. This is a significant issue. It's an important issue for aboriginal communities. My understanding of it is that it was agreed upon in the executive committee this morning that there would be no issue and that it would go forward. Some time between now and then something has changed.

It is an important issue. It is a very different political perspective we're dealing with now, and I would like to know the response of this government to the committee's report, which was an extensive study and report. In fact, there's a motion before another committee that we reinvent the report and do it all over again. Talk about waste. All this requires is that the government of the day give a response. As I say, I'm a bit astounded at what's happened between nine o'clock this morning and five o'clock this afternoon.

**Mr. Rod Bruinooge:** If I can respond briefly, I think all members of the House would agree that this is an important issue. In fact, I think the minister was a key architect of some of the elements of the report. He's very much a believer in the direction this has taken.

I would suggest that because the process has already run its course in a minority government previously, it would be a good illustration of how an incoming minister can utilize the work of the previous government. Then perhaps you will see his position and the government's position on this, and you'll have an opportunity at the next meeting to also ask him about this topic.

• (1725)

**Hon. Anita Neville:** With all due respect to the parliamentary secretary, I would accept that argument if the work of the previous government on the Kelowna accord had been honoured. The precedent for honouring previous government commitments is not there, and I think this is too important to pass by. It's clearly up to the committee, and I can't understand the government's objection to responding to a report that the minister had a part in crafting.

**The Chair:** The question I put forward was this. Because it was already tabled in the House, is that not good enough? So I think it would be important for the committee to hear from the minister, because you're surmising that he's not going to respect that report, and we don't know that.

Mr. Bruinooge.

**Mr. Rod Bruinooge:** In relation to this discussion, the committee recommended to the House that it adopt the results of the first ministers meeting of last year. That was something this committee opted to do. In the previous government there was no recommendation to the House. So in that sense, I think we're talking about the same thing, as a committee.

The committee has recommended Kelowna to the House. Previously the committee recommended this report to the House. Why does the committee need to do that again? I guess that's the crux of the argument.

**The Chair:** Ms. Crowder is next, and then Mr. Merasty.

**Ms. Jean Crowder:** Again, it may be procedural, but just because a report has gone before the House doesn't actually mean that anything is going to happen with it. My understanding of having this report come forward again is to get some assurance that it's going to move forward, because it is such an important issue.

I understand the minister will be coming before us, but we're going to have him here for two hours. There is some significant work in here, and we're not going to want to spend our two hours dealing with the minister on this, because, as we heard from the briefing from the department today, the issues are vast and broad.

I am going to support the motion of having this report retabled in the House.

**The Chair:** Thank you.

Mr. Merasty.

**Mr. Gary Merasty:** I also think we should proceed and be very clear that we'd just like a response. If the government chooses not to support that....

**The Chair:** Mr. Albrecht.

**Mr. Harold Albrecht:** This argument sounds very similar to the one relating to the Kelowna accord, in the sense that many of the members on this committee are new. For me to sit here today on behalf of my constituents, and on behalf of my own integrity, and adopt a report—that's what you're asking me to do—and send it on to the House when I haven't even read it and we haven't studied it for sure.... I just think we lack credibility if we don't at least take part of one meeting to be briefed on what this report is. I'd at least like a copy of it in my office.

**The Chair:** The question the chair would ask is, would correspondence to the minister asking if he's going to implement this report suffice, or does it have to be presented to the House? You're presenting to the House twice, which to me doesn't seem procedurally correct.

Mr. Lemay.

[*Translation*]

**Mr. Marc Lemay:** It is clear that I will support the motion. The only question is whether we will vote on it this evening or on Wednesday.

If my colleague agrees, I might be willing to wait until we put the question to the minister when he appears. However, it is clear that we

will have to hold the debate on this motion and that it will be voted on.

I would therefore suggest that we put the study off until Wednesday, after the minister appears. However, the minister will have to know that we'll ask him a question and that we have a motion to that effect. That way, he will be able to prepare.

I might be willing to agree to wait to hear from the minister for another two days. We will vote in two days, but what's clear is that the vote is not far off.

• (1730)

[*English*]

**The Chair:** Can I have a motion to table—if that's the pleasure of the committee—until after the minister speaks to the committee?

**Mr. Rod Bruinooge:** Based on Mr. Lemay's position, I move to table this motion.

**The Chair:** There is no debate on a tabling motion, as I understand. At least there wasn't the last....

**The Clerk of the Committee:** Actually, the motion is that a vote be held on this motion next Wednesday. Is that the motion?

**Mr. Marc Lemay:** It would be on Wednesday, after the minister's visit.

**The Chair:** All in agreement?

(Motion agreed to)

**The Chair:** Thank you very much.

Is there any other business for the good of the committee?

Hearing none, we're adjourned.







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